

Analysis of Potential Economic and Fiscal Impacts for the Ballpark in Arlington



Summary of Findings

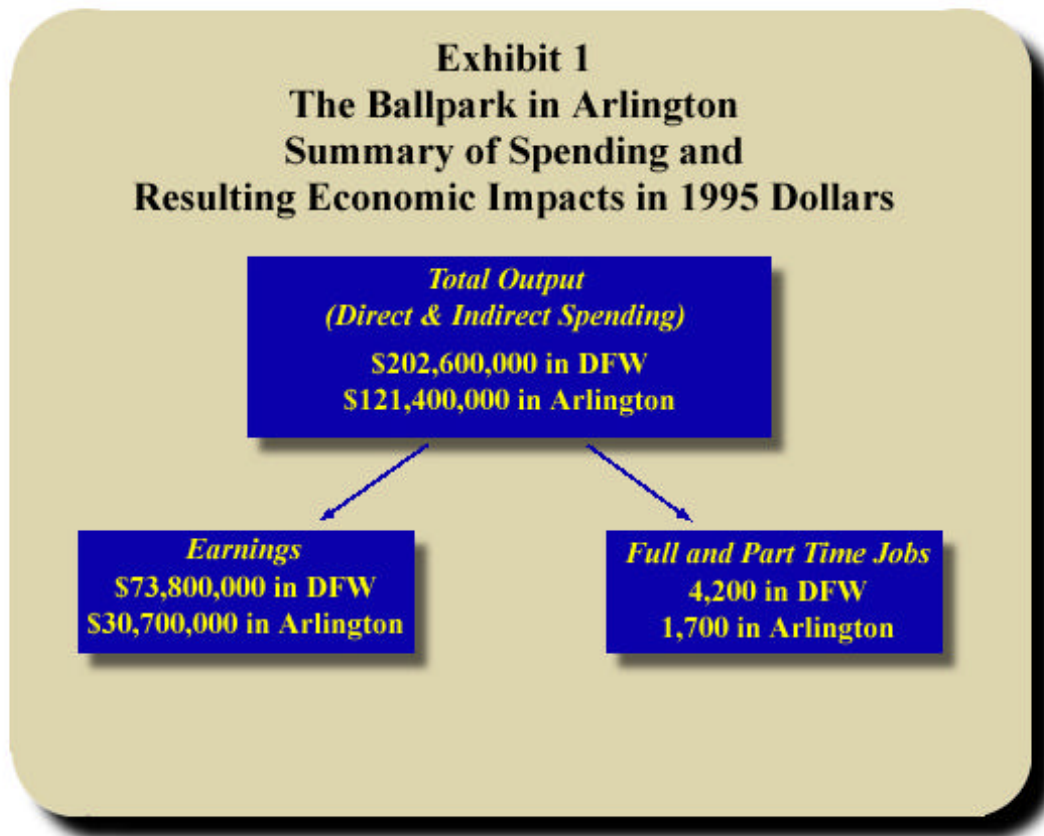
This summary outlines the key findings related to the economic and fiscal impact analysis for the Ballpark in Arlington (the Ballpark). The primary objective of the analysis was to assess the economic impacts associated with the Ballpark and the professional sports tenant, Major League Baseball's Texas Rangers (the Rangers). The estimates are intended to provide the City of Arlington (the City) with an understanding of the impacts of the Ballpark on the Arlington community.

The results of the analysis are based on estimates of event activity, fan and attendee spending, and sports franchise spending characteristics for the Ballpark as provided by representatives of the Rangers and the City, and general economic data specific to the area. The analysis assumes competent and efficient management of the Ballpark, and is based on a stabilized year of baseball operations, assuming a full regular season of Major League Baseball and that no significant changes in Major League Baseball or other related markets will occur. This summary has been prepared for representatives of the City to assist in their understanding of the impacts of the Ballpark, and should not be used for any other purpose. Coopers & Lybrand L.L.P. bears no responsibility for decisions made based on information contained within this summary.

The analysis reflects that the operation of the Ballpark generates significant economic impacts which have been summarized in Exhibit 1. Including both in-stadium and out-of-stadium spending, as well as potential spending impacts by the Rangers, **total output or spending generated by the Ballpark is estimated at nearly \$203 million (1995 dollars) within the Dallas/Fort Worth Metroplex.**

Based on the assumptions provided to us, and results of the analysis, **the City of Arlington is estimated to capture approximately \$121 million, or 60 percent,** of the total estimated output generated in the Dallas/Fort Worth Metroplex in a stabilized year

of baseball operations. It should be noted that the City of Arlington is only able to capture a significant portion of this estimated spending due to the Ballpark's location within the City. Were a stadium for the Rangers located in another city in the Metroplex, none of the estimated 2.6 million visitors to Rangers regular season and exhibition games, or their associated spending, would have a direct impact on the Arlington area.

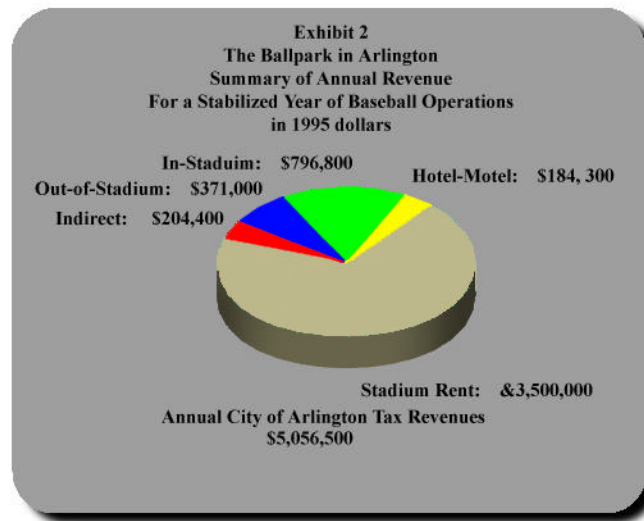


This level of spending also has a significant impact in terms of earnings and employment.

Throughout the Metroplex, stadium and team operations generate an estimated \$73.8 million in earnings and 4,200 full and part time jobs in a stabilized year of operations. The operations of the Ballpark directs a significant portion of these impacts, approximately \$30.7 million in earnings and 1,700 full and part time jobs, to the Arlington community.

As reflected in Exhibit 2, estimated direct annual fiscal impacts generated in a stabilized year of operations for the Ballpark is nearly \$5.1 million (1995 dollars). This includes rent received by the City from the Rangers. City sales tax receipts for estimated levels of taxable in-stadium and out-of-stadium spending, City sales taxes derived from levels

of indirect spending and City hotel-motel tax receipts associated with estimates of out-of-town visitors to the Ballpark.



Had the Major League Baseball season not terminated early due to the players' strike, the resulting total output generated by the Ballpark in its initial year of operations is estimated at approximately \$239 million. This assumes that attendance to subsequent Rangers games would have continued at levels consistent to those experienced before the strike, resulting in total 1994 attendance at the Ballpark in excess of three million. Of this \$239 million in total output, an estimated \$140 million could have taken place in Arlington. Under this scenario, the resulting earnings in the Metroplex is estimated at approximately \$87 million, with nearly \$36 million impacting Arlington. Further, employment impacts could total nearly 5,100 full and part time jobs in the Metroplex, with over 2,000 jobs benefiting the Arlington area.